

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No 1545-0047

2008

Open to Public
Inspection

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2008 calendar year, or tax year beginning , 2008, and ending , 20

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Termination
☐ Amended return
☐ Application pending

C Name of organization, number and street, city, town, state, and ZIP code:
 VETERANS ASSISTANCE FOUNDATION INC
 PO BOX 109
 NEWBURG WI 53060

D Employer identification number
 39-1798221

E Telephone number
 262-692-6333

G Gross receipts \$ 3429067.

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? If "No", attach a list (see instructions) ☐ Yes ☐ No

H(c) Group exemption number

F Name and address of principal officer: ROBERT PIARO
 PO BOX 109 NEWBURG WI 53060

I Tax-exempt status: ☒ 501(c)(3) (insert no) 4947(a)(1) or 527

J Website: WWW.VETERANSASSISTANCE.ORG

K Type of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation 1994

M State of legal domicile WI

Part I Summary

1 Briefly describe the organization's mission or most significant activities:
 OPERATE PROGRAMS DESIGNED TO ASSIST HOMELESS OR AT RISK OF BECOMING HOMELESS VETERANS MAINTAIN OR IMPROVE THEIR STATUS IN SOCIETY BY PROVIDING AN ENVIRONMENT THROUGH WHICH THEY CAN ACCESS HUMAN SERVIC

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets

3 Number of voting members of the governing body (Part VI, line 1a)	3	9
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	6
5 Total number of employees (Part V, line 2a)	5	13
6 Total number of volunteers (estimate if necessary)	6	6
7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	
b Net unrelated business taxable income from Form 990-T, line 34	7b	

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	2300741.	2444227.
9 Program service revenue (Part VIII, line 2g)	110242.	125081.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	7208.	5913.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	46384.	120452.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2464575.	2695673.
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14 Benefits paid to or for members (Part IX, column (A), line 4)		
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	368954.	410817.
16a Professional fundraising fees (Part IX, column (A), line 11e)	1198431.	1404317.
b Total fundraising expenses, (Part IX, column (D), line 25) 1405137.		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	671184.	711596.
18 Total expenses - Add lines 13-17 (must equal Part IX, column (A), line 25)	2238569.	2526730.
19 Revenue less expenses Subtract line 18 from line 12	226006.	168943.
20 Total assets (Part X, line 16)	Beginning of Year 1974765.	End of Year 2139835.
21 Total liabilities (Part X, line 26)	366097.	362224.
22 Net assets or fund balances. Subtract line 21 from line 20	1608668.	1777611.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
 Signature of officer:
 ROBERT PIARO
 Type or print name and title

Date: 05/14/2009

Preparer's Use Only
 Preparer's signature:
 Firms name (or yours if self-employed): ENGELSSON AND ASSOCIATES LTD
 address, and ZIP + 4: 3317 MORMO LA CROSSE WI 54601
 EIN: 39-1625814
 Phone no: 608-788-2181

Check if self-employed ☐

Preparer's identifying number (see instructions): P00231592

May the IRS discuss this return with the preparer shown above? (See instructions) ☒ Yes ☐ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2008)

Part III Statement of Program Service Accomplishments (See instructions)

1 Briefly describe the organization's mission:

OPERATE PROGRAMS DESIGNED TO ASSIST HOMELESS OR AT RISK OF BECOMING
HOMELESS VETERANS MAINTAIN OR IMPROVE THEIR STATUS IN SOCIETY BY
PROVIDING AN ENVIRONMENT THROUGH WHICH THEY CAN ACCESS HUMAN SERVICES

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts any program services?

☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 837875 . including grants of \$) (Revenue \$ 769479 .)

PROVIDE PROGRAMS AND SERVICES TO HELP HOMELESS AND AT RISK OF BECOMING
HOMELESS VETERANS REGAIN, MAINTAIN, AND IMPROVE THEIR STATUS IN
SOCIETY BY PROVIDING AN ALCOHOL AND DRUG FREE, SECURE ENVIRONMENT
THROUGH WHICH AN ARRAY OF HUMAN SERVICES CAN BE ACCESSED

4b (Code:) (Expenses \$ 117253 . including grants of \$) (Revenue \$ 117016 .)

PROVIDE SERVICES TO ASSIST IN REINTEGRATING HOMELESS VETERANS INTO
MEANINGFUL EMPLOYMENT WITHIN THE LABOR FORCE
SERVICES INCLUDE CLASSROOM TRAINING, JOB SEARCH ASSISTANCE, JOB
PLACEMENT, ON-THE-JOB TRAINING, AND VOCATIONAL COUNSELING

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$)(Revenue \$)

4e Total program service expenses \$ 955128 . (Must equal Part IX, Line 25, column (B).)

Form 990 (2008)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2	X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	11 X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12 X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17 X	
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	X
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25.	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	25b	X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	X

Form 990 (2008)

Part IV Checklist of Required Schedules (Continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV		X
b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV		X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X

Form **990** (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6a	Did the organization solicit any contributions that were not tax deductible?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?		
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
7g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
7h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and Section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distribution under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		

Form 990 (2008)

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

	Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions		
1a Enter the number of voting members of the governing body	9	
1b Enter the number of voting members that are independent	6	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a material diversion of the organization's assets?		X
6 Does the organization have members or stockholders?		X
7a Does the organization have members, stockholders, or other persons who may elect one of more members of the governing body?		X
7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following?		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9a Does the organization have local chapters, branches, or affiliates?		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	X	
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		X
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13 Does the organization have a written whistleblower policy?		X
14 Does the organization have a written document retention and destruction policy?		X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official?		X
b Other officers or key employees of the organization? Describe the process in Schedule O (see instructions)		X
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17** List the States with which a copy of this Form 990 is required to be filed ►
- 18** Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request
- 19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization ► **ROBERT PIARO** PO BOX 109 NEWBURG WI 53060 262-692-6333

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			

[illegible]

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ►

- | | | Yes | No |
|---|--|-----|----|
| 3 | Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual | | X |
| 4 | For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual | | X |
| 5 | Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person | | X |

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A)	(B)	(C)
Name and business address	Description of services	Compensation
XENTEL AME 312 E WISC 53202- WI MILWAUKEE	FUNDRAISING	1406239.

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization ▶ 1

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	886495.			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1557732.			
	g	Noncash contributions included in lines 1a-1f		\$			
	h	Total. Add lines 1a-1f		2444227.			
Program Service Revenue	2a	PROGRAM FEES	Business Code	900099	125081.	125081.	
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		125081.			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		5913.		
4		Income from investment of tax-exempt bond proceeds					
5		Royalties					
6a		Gross Rents	(i) Real	69300.			
b		Less: rental expenses	(ii) Personal				
c		Rental income or (loss)		69300.			
d		Net rental income or (loss)		69300.	69300.		
7a		Gross amount from sales of assets other than inventory	(i) Securities				
b		Less: cost or other basis and sales expenses	(ii) Other				
c		Gain or (loss)					
d		Net gain or (loss)					
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a				
b		Less: direct expenses	b				
c		Net income or (loss) from fundraising events . . . ▶					
9a		Gross income from gaming activities. See Part IV, line 19	a				
b		Less: direct expenses	b				
c		Net income or (loss) from gaming activities . . . ▶					
10a		Gross sales of inventory, less returns and allowances	a				
b	Less: cost of goods sold	b					
c	Net income or (loss) from sales of inventory . . . ▶						
Miscellaneous Revenue				Business Code			
11a	MISCELLANEOUS		900099	1216.	1216.		
b	MANAGEMENT FEES		561000	49936.		49936.	
c							
d	All other revenue						
e	Total. Add lines 11a-11d			51152.			
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			2695673.	195597.	55849.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C) and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	126308.	57666.	68642.	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	205401.	205401.		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	6008.	4806.	1202.	
9	Other employee benefits	45240.	36192.	9048.	
10	Payroll taxes	27860.	22288.	5572.	
11	Fees for services (non-employees)				
a	Management				
b	Legal	5270.		5270.	
c	Accounting	10973.	8436.	2537.	
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17	1404317.			1404317.
f	Investment management fees				
g	Other	75445.	75091.	354.	
12	Advertising and promotion				
13	Office expenses	54462.	41541.	12101.	820.
14	Information technology				
15	Royalties				
16	Occupancy	160040.	155869.	4171.	
17	Travel	32217.	25833.	6384.	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	2421.	1753.	668.	
20	Interest	8643.	8643.		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	106118.	106118.		
23	Insurance	14926.	12864.	2062.	
24	Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a	SEE STMT	40627.			
b		3696.			
c		100580.			
d		7277.			
e		20024.			
f	All other expenses	68877.			
25	Total functional expenses. Add lines 1 through 24f	2526730.	955128.	166465.	1405137.
26	Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the org reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	29973.	1	36026.
	2 Savings and temporary cash investments	291620.	2	463155.
	3 Pledges and grants receivable, net	120281.	3	142626.
	4 Accounts receivable, net		4	10833.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	7783.	9	3572.
	10a Land, buildings, and equipment: cost basis	10a 2024863.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b 541240.	1525108.	10c 1483623.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	1974765.	16	2139835.	
Liabilities	17 Accounts payable and accrued expenses	60178.	17	63774.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	305919.	23	298450.
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	366097.	26	362224.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	1608668.	27	1777611.
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	1608668.	33	1777611.	
34 Total liabilities and net assets/fund balances	1974765.	34	2139835.	

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990. <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b	Were the organization's financial statements audited by an independent accountant?	X	
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
b	If "Yes," did the organization undergo the required audit or audits?	X	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support
To be completed by all section 501(c)(3) organizations and section 4947(a)(1)
nonexempt charitable trusts.

▶ **Attach to Form 990 or Form 990-EZ.**

▶ **See separate instructions.**

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

VETERANS ASSISTANCE FOUNDATION INC

Employer identification number

39-1798221

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is (Please check only **one** organization.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)** (Attach Schedule H.)
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete the Support Schedule in Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)

11 ☒ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I b ☒ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other

e ☒ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? _____

(ii) A family member of a person described in (i) above? _____

(iii) A 35% controlled entity of a person described in (i) or (ii) above? _____

	Yes	No
11g(i)		X
11g(ii)		X
11g(iii)		X

h Provide the following information about the organizations the organization supports

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
CALIFORNIA	30-0186044	11A		X	X		X		
VETERANS									
ASSISTANCE									
FOUNDATION									
Total									

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule A (Form 990 or 990-EZ) 2008

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.**

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

VETERANS ASSISTANCE FOUNDATION INC

Employer identification number

39-1798221

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

1 a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets

(continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations

- d ☐ Loan or exchange programs
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
1c Beginning balance	
1d Additions during the year	
1e Distributions during the year	
1f Ending balance	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☒ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ☐ 0.00 %
 b Permanent endowment ☐ 0.00 %
 c Term endowment ☐ 0.00 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		236,000.		236,000.
b Buildings		1,015,815.	102,010.	913,805.
c Leasehold improvements		489,574.	243,316.	246,258.
d Equipment		65,338.	47,856.	17,482.
e Other		239,193.	169,114.	70,079.
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				1,483,624.

Schedule D (Form 990) 2008

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	2,695,673.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	2,526,730.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	168,943.
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4-8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	168,943.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	2,695,673.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	2,695,673.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c (This should equal Form 990, Part I, line 12.)	5	2,695,673.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	2,526,730.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	2,526,730.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	2,526,730.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X: Part XI, line 8; Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

**SCHEDULE G
(Form 990 or 990-EZ)**

Department of the Treasury
Internal Revenue Service

**Supplemental Information Regarding
Fundraising or Gaming Activities**

▶ Attach to Form 990 or Form 990-EZ. Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than \$15,000 on Form 990-EZ, line 6a.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

VETERANS ASSISTANCE FOUNDATION INC

Employer identification number
39-1798221

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- | | |
|--|---|
| a <input checked="" type="checkbox"/> Mail solicitations | e <input type="checkbox"/> Solicitation of non-government grants |
| b <input type="checkbox"/> Email solicitations | f <input type="checkbox"/> Solicitation of government grants |
| c <input checked="" type="checkbox"/> Phone solicitations | g <input type="checkbox"/> Special fundraising events |
| d <input type="checkbox"/> In-person solicitations | |

2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☒ Yes ☐ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
XENTEL, INC		X		1,549,819.	1,406,239.	143,580.
Total		▶		1,549,819.	1,406,239.	143,580.

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

ALL STATES

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide
additional information for responses to specific questions for the
Form 990 or to provide any additional information.

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

VETERANS ASSISTANCE FOUNDATION INC

Employer identification number

39-1798221

PART VI LINE 10 - THE FORM WAS EMAILED TO BOARD MEMBERS FOR REVIEW
PRIOR TO FILING

PART VI LINE 12C - ANY ISSUES THAT MIGHT BE PERCEIVED AS A CONFLICT OF
INTEREST ARE DISCUSSED AT THE SEMI-ANNUAL BOARD OF DIRECTORS MEETINGS
ANY QUESTIONABLE ITEMS ARE REFERRED TO THE ORGANIZATIONS ATTORNEY

PART VI LINE 19 - ORGANIZATIONAL INFORMATION IS AVAILABLE THROUGH
GUIDESTAR

SCHEDULE G PART I COLUMN III - THE CONTRACT WITH XENTEL INC STATES THAT
ALL MONIES COLLECTED BY XENTEL WILL BE MAILED AND/OR DELIVERED AND
DEPOSITED INTO VAFS DESIGNATED ACCOUNT NO LATER THAN TWO DAYS AFTER
RECEIPT

Department of the Treasury
Internal Revenue Service

Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.

Internal Revenue Service

Open to Fabric Inspection

Name of the organization

VETERANS ASSISTANCE FOUNDATION INC

Employer identification number
39-1798221

Part I Identification of Disregarded Entities.

[illegible]

Part II Identification of Related Tax-Exempt Organizations

[illegible]

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2008

Part V Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(A) Name of other organization(s)		(B) Transaction type (a-r)	(C) Amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

US 990**Other Functional Expenses: Page 2, Line 43****2008**

Description of the Asset	Total	Program Services	Management and General	Fundraising
CENTER SUPPLIES	40,627.	30,137.	10,490.	
DUES & SUBSCRIPTIONS	3,696.	2,510.	1,186.	
FOOD SERVICE	100,580.	99,400.	1,180.	
LICENSES & FEES	7,277.	2,148.	5,129.	
MAINTENANCE	20,024.	5,457.	14,567.	
TRAINING	40,543.	40,543.		
STAND DOWN EXPENSES	4,910.	4,910.		
SUPPORTIVE SERVICES	10,378.	10,378.		
MISCELLANEOUS	1,416.	514.	902.	
MANAGEMENT FEES	15,000.		15,000.	
GAIN ON DISPOSAL OF A	(3,370.)	(3,370.)		
	241,081.	192,627.	48,454.	

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.**

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT**

DECEMBER 31, 2008

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
CONTENTS
DECEMBER 31, 2008**

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Engelson & Associates, Ltd.

Certified Public Accountants and Consultants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Veterans Assistance Foundation, Inc. and
California Veterans Assistance Foundation, Inc.

We have audited the accompanying combined statement of financial position of Veterans Assistance Foundation, Inc. and California Veterans Assistance Foundation, Inc. as of December 31, 2008 and 2007, and the related combined statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Veterans Assistance Foundation, Inc. and California Veterans Assistance Foundation, Inc. as of December 31, 2008 and 2007, and the changes in their net assets and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated May 14, 2009, on consideration of Veterans Assistance Foundation and California Veterans Assistance Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the internal control or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and important for assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying combined schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Engelson and Associates, Ltd.

La Crosse, Wisconsin
May 14, 2009

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
COMBINED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2008 AND 2007**

ASSETS	2008	2007
Current Assets		
Cash and cash equivalents	\$ 547,716	\$ 413,105
Accounts receivable	10,833	-
Grants receivable	272,118	193,234
Prepaid expenses	16,987	23,078
Other current assets	-	120
Total Current Assets	<u>847,654</u>	<u>629,537</u>
Fixed Assets		
Land	304,635	304,635
Buildings	1,181,680	1,181,680
Building improvements	947,099	906,939
Vehicles	300,573	274,906
Equipment	89,983	84,459
Total	<u>2,823,970</u>	<u>2,752,619</u>
Less: Accumulated depreciation	<u>(716,977)</u>	<u>(588,983)</u>
Net Fixed Assets	<u>2,106,993</u>	<u>2,163,636</u>
TOTAL ASSETS	<u><u>\$ 2,954,647</u></u>	<u><u>\$ 2,793,173</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 63,837	\$ 48,532
Accrued expenses	16,811	27,238
Notes payable	5,318	4,390
Current maturities of long-term obligations	<u>10,944</u>	<u>10,050</u>
Total Current Liabilities	<u>96,910</u>	<u>90,210</u>
Non-Current Liabilities		
Notes payable - net of current maturities	<u>455,837</u>	<u>466,823</u>
Total Liabilities	552,747	557,033
Net Assets		
Unrestricted	<u>2,401,900</u>	<u>2,236,140</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,954,647</u></u>	<u><u>\$ 2,793,173</u></u>

The accompanying notes are an integral part of these financial statements

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
COMBINED STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

	2008	2007
Support and Revenue		
Veterans affairs per diem grants	\$ 1,263,707	\$ 1,051,448
Department of Labor grant	117,016	92,440
Federal housing grant	-	199,321
Federal equipment grant	-	16,250
Donations	14,898	17,152
Program fees	195,767	176,430
Fundraising	1,829,592	1,520,795
Interest income	6,072	7,407
Other	2,016	11,895
Total Support and Revenue	<u>3,429,068</u>	<u>3,093,138</u>
Expenses		
Program services	1,415,216	1,310,350
Management and general	205,392	173,085
Fundraising	1,642,700	1,340,291
Total Expenses	<u>3,263,308</u>	<u>2,823,726</u>
Change in Net Assets	165,760	269,412
Net Assets at Beginning of Year	<u>2,236,140</u>	<u>1,966,728</u>
Net Assets at End of Year	<u><u>\$ 2,401,900</u></u>	<u><u>\$ 2,236,140</u></u>

The accompanying notes are an integral part of these financial statements

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

	2008	2007
Cash Flows From Operating Activities		
<i>Increase (decrease) in net assets</i>	\$ 165,760	\$ 269,412
Adjustments to reconcile change in net cash provided (used) by operating activities:		
Depreciation*	158,885	149,450
Changes in assets and liabilities:		
(Gain) loss on disposal of assets	(3,370)	2,412
(Increase) decrease in accounts receivable	(10,833)	-
(Increase) decrease in grants receivable	(78,885)	420
Increase (decrease) in prepaid expenses	6,091	(5,706)
(Increase) decrease in other current assets	120	(120)
Increase (decrease) in accounts payable	15,305	10,598
Increase (decrease) in accrued expenses	(10,427)	3,875
Net Cash Provided (Used) by Operating Activities	<u>242,646</u>	<u>430,341</u>
Cash Flows From Investing Activities		
Purchase of property and equipment	<u>(107,334)</u>	<u>(660,318)</u>
Cash Flows From Financing Activities		
Proceeds from short-term debt	11,597	10,432
Payments on short-term debt	(10,669)	(6,042)
Proceeds from long-term debt	-	232,750
Payments on long-term debt	(10,092)	(19,335)
Net Cash Provided (Used) by Financing Activities	<u>(9,164)</u>	<u>217,805</u>
NET INCREASE (DECREASE) IN CASH	126,148	(12,172)
CASH AT BEGINNING OF YEAR	<u>413,105</u>	<u>425,277</u>
CASH AT END OF YEAR	<u>\$ 547,716</u>	<u>\$ 413,105</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for:		
Interest	<u>\$ 37,411</u>	<u>\$ 31,359</u>

* Indicates non cash transaction

The accompanying notes are an integral part of these financial statements

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008**

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Veterans Assistance Foundation, Inc. (VAF) and California Veterans Assistance Foundation, Inc. (CVAF) are non-stock, non-profit corporations that receive a substantial portion of their revenue from the United States government through grants from the U.S. Department of Veterans Affairs and the U.S. Department of Labor. Through these grants VAF manages and operates veteran assistance centers, and provides temporary housing, job training, and counseling for veterans at three locations in Wisconsin. The facilities are provided by the VA Medical Center at no cost to the VAF. CVAF manages and operates veteran resource and referral centers, and provides temporary housing at four locations in California.

VAF and CVAF operate under a single board of directors. Because the two organizations are under common control, they have been combined into one reporting entity.

A summary of significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Basis of Accounting - The financial statements of VAF and CVAF have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

Consolidation - All inter organization transactions have been eliminated in the combined financial statements.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents - For financial statement purposes, the VAF and CVAF consider all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents.

Financial Instruments - The carrying values of cash, receivables, accounts payable and accrued liabilities approximate fair value due to the short maturity of those instruments. The carrying amount of long-term debt approximates fair value as it bears interest at variable rates.

Grants Receivable and Allowance for Doubtful Accounts - Receivables are due on grants for which reimbursement was submitted for services performed by VAF and CVAF. Management reviews receivables on a periodic basis to determine their collectability. Uncollectible receivables are written off to bad debt expense. Historically, VAF and CVAF have not incurred any significant bad debt and as such, management does not believe an allowance is necessary.

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008**

Property and Equipment – VAF and CVAF capitalize all new fixed assets in excess of \$1,000. Donated assets are recorded at the fair market value at the date of contribution. Depreciation is computed on a straight-line basis over the estimated service lives of the assets:

Vehicles	5 years
Equipment	5-7 years
Building improvements	15 years
Buildings	39 years

Net Assets - Net assets and revenues, expenses, gain and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets subject to Board or donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Board pursuant to those stipulations.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently VAF and CVAF.

Income Tax Status – VAF and CVAF qualify as a tax-exempt organizations under Section 501(c)(3) and 509(a) of the Internal Revenue Code and corresponding provisions of State law and, therefore, have no provision for federal or state income taxes.

Restricted and Unrestricted Revenue and Support - Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. If restrictions are satisfied in the year the contributions are received, the contribution and related expenses are recorded as unrestricted activities.

All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When restrictions expire or their purposes are accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions

Donated Goods and Services - VAF and CVAF receive donated services from unpaid volunteers who assist in carrying out their mission. The value of these services is undeterminable and, therefore, they are not recorded in the financial statements.

New Accounting Pronouncements – The Financial Accounting Standards Board (FASB) has issued FASB Interpretation No. 48, “Accounting for Uncertainty in Income Taxes” (FIN 48). FIN 48 addresses the accounting and disclosure of uncertain tax positions. For certain nonpublic enterprises, including not-for-profit organizations, the effective date of FIN 48 may be deferred until fiscal years beginning after December 31, 2008. VAF and CVAF elected to defer application of FIN 48. The Organization’s current accounting

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008**

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

policy regarding uncertain tax positions is to evaluate, at least annually, the potential for income tax exposure from unrelated business income or from loss of nonprofit status. The organization believes that the adoption of FIN 48 will not have a material effect on its financial position, results of activities or cash flows.

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157 (SFAS 157), Fair Value Measurements. SFAS 157 provides enhanced guidance for using fair value to measure assets and liabilities. SFAS 157 provides a common definition of fair value and establishes a framework to make the measurement of fair value in U.S. generally accepted financial principles more consistent and comparable. SFAS 157 also requires expanded disclosures to provide information about the extent to which fair value is used to measure assets and liabilities, the methods and assumptions used to measure fair value, and the effect of fair value measures on change in net assets. The Organizations adopted SFAS 157 on January 1, 2008.

In February 2007, the FASB issued SFAS 159, The Fair Value Option for Financial Assets and Financial Liabilities Including an amendment of FASB Statement No. 115. SFAS 159 permits entities to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value, with unrealized gains and losses related to these financial instruments reported in unrealized gains and losses at each subsequent reporting date. VAF and CVAF adopted SFAS 159 on January 1, 2008.

NOTE 2 – CASH AND CASH EQUIVALENTS

VAF and CVAF maintain cash accounts at several commercial banks. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each bank. As of December 31, 2008, cash in the amount of \$71,224 was not insured by the FDIC.

NOTE 3 - FIXED ASSETS

Fixed assets consisted of the following at December 31, 2008 and 2007:

	2008	2007
Land	304,635	\$ 304,635
Buildings	1,181,680	1,455,976
Building Improvements	947,099	632,643
Vehicles	300,573	274,907
Equipment	<u>89,983</u>	<u>87,612</u>
Total Cost	2,823,970	2,755,773
Less accumulated depreciation	<u>(716,977)</u>	<u>(592,137)</u>
Book Value	<u>\$ 2,106,993</u>	<u>\$ 2,163,636</u>

Depreciation expense totaled \$158,885 and \$149,450 for the years ended December 31, 2008 and 2007, respectively.

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE 4 – NOTES PAYABLE

Short-term debt consists of the following:	<u>2008</u>	<u>2007</u>
Note payable to Premium Assignment Corp. with interest at 7.33%. Monthly installments of \$1,329 including principal and interest, due May 2009, uncollateralized.	<u>\$ 5,318</u>	<u>\$ 4,390</u>
Long-term debt consists of the following:	<u>2008</u>	<u>2007</u>
Note payable, Robin and Amanda Perez, payments of \$913 per month including principal and interest at 8%, final maturity date October 2017. Collateralized by real estate	69,221	74,447
Notes payable, M. Frank St. Clair, payments of \$832 per month including principal and interest at 7%, final maturity date February 2017. Collateralized by real estate.	122,719	124,056
Note payable, State Bank of Newburg, payments of \$341 per month including principal and interest at 8%, final maturity date March 2037. Collateralized by real estate.	45,799	46,212
Note payable, State Bank of Newburg, payments of \$454 per month including principal and interest at 8.12%, final maturity date March 2019. Collateralized by real estate.	60,711	61,204
Notes payable, M. Frank St. Clair, payments of \$624 per month including principal and interest at 8%, final maturity date January 2019. Collateralized by real estate.	74,275	75,708
Notes payable, M. Frank St. Clair, payments of \$770 per month including principal and interest at 8%, final maturity date March 2014 Collateralized by real estate.	<u>94,055</u>	<u>95,246</u>
Subtotal	<u>\$ 466,780</u>	<u>\$ 476,873</u>

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

The following is a schedule of future aggregate annual maturities of long-term debt:

Years Ending December 31	Approximate Amount
2009	\$ 10,945
2010	11,325
2011	12,249
2012	13,234
2013	14,376
2014-2037	<u>404,651</u>
Total	<u>\$ 466,780</u>

NOTE 5 – ACCRUED VACATION

Accrued vacation represents vacation earned, but not taken as of December 31, 2008 and is included in "accrued liabilities" in the statement of financial position. The accrued vacation balance was \$9,012 and \$8,005 as of December 31, 2008 and 2007, respectively.

NOTE 6 – CONCENTRATION OF RISK

VAF and CVAF receive grants from the Department of Veterans Affairs and Department of Labor. During 2008 and 2007, support and revenue from these grantors amounted to \$1,380,723 and \$1,349,459, respectively. When fundraising revenue is netted against fundraising expenses, these grants represent 78% and 76% of revenue, respectively.

NOTE 7 - FUNDRAISING

VAF and CVAF have agreements with Xentel, a professional, for-profit corporation that conducts fundraising activities in their respective names. For the year ended December 31, 2008 and 2007 monies collected amounted to \$1,829,592 and \$1,520,795, respectively. \$1,641,810 and \$1,339,830 were paid to Xentel for services rendered.

NOTE 8 – RETIREMENT PLAN

VAF and CVAF maintain a Simple IRA plan which covers all eligible employees, and matches up to 3% of the employee's salary. VAF and CVAF's contribution to the plan totaled \$8,609 and \$7,253 for 2008 and 2007, respectively.

NOTE 9 – RELATED PARTY TRANSACTIONS

VAF and CVAF are related parties under common control. Transactions between the two organizations are contained in the eliminating entries in the combining statements included on pages 20-22. All intercompany transactions have been eliminated.

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
COMBINED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

CFDA, Awarding Agency, Grant/Program Name	Award Period	Award	2008 Expenditures
CFDA #64.024			
U.S. Department of Veteran Affairs:			
VA Homeless Provider Grant & Per Diem Program	1/1/08-12/31/08		
Project 06-081-WI		\$31.30/day	\$ 71,200
Project 98-013-WI		\$33.01/day	655,633
Project 02-009-WI		\$32.95/day	44,116
Project 01-024-CA		\$33.01/day	373,631
Project 04-053-CA		\$32.95/day	107,724
Project 08-034 CA		\$33.01/day	<u>11,402</u>
Total			1,263,707
CFDA #17.805			
U.S. Department of Labor:			
Homeless Veterans Reintegration Program	1/1/08-12/31/08	\$ 130,000	<u>\$ 117,016</u>
		Total	<u>\$ 1,380,723</u>

See note to schedule of expenditures of federal awards

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
NOTE TO COMBINED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

NOTE A- BASIS OF PRESENTATION

The accompanying combined schedule of expenditures of federal awards includes the federal grant activity of the Veterans Assistance Foundation, Inc. and California Veterans Assistance Foundation, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.



Engelson & Associates, Ltd.

Certified Public Accountants and Consultants

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Veterans Assistance Foundation, Inc. and
California Veterans Assistance Foundation, Inc.

We have audited the financial statements of Veterans Assistance Foundation, Inc. (VAF) and California Veterans Assistance Foundation, Inc. (CVAF) as of and for the year ended December 31, 2008 and have issued our report thereon dated May 14, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered VAF and CVAF's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the VAF and CVAF's internal control. Accordingly, we do not express an opinion on the effectiveness of the organization's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is a more than remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the VAF and CVAF's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of the management, the Board of Directors, others within the organization, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Engelmann and Associates, LLC

La Crosse, Wisconsin
May 14, 2009



Engelson & Associates, Ltd.

Certified Public Accountants and Consultants

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Directors
Veterans Assistance Foundation, Inc. and
California Veterans Assistance Foundation, Inc.

Compliance

We have audited the compliance of Veterans Assistance Foundation, Inc. (VAF) and California Veterans Assistance Foundation, Inc. (CVAF) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2008. VAF and CVAF's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of VAF and CVAF's management. Our responsibility is to express an opinion on the organization's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about VAF and CVAF's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of VAF and CVAF's compliance with those requirements.

In our opinion, VAF and CVAF complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

Internal Control Over Compliance

The management of Veterans Assistance Foundation and California Veterans Assistance Foundation is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered VAF and CVAF's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of VAF and CVAF's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to administer a federal program such that there is a more than remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the organization's internal control.

Our consideration of internal control over compliance was for the limited purpose describe in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Directors, others within the organization, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Engelson and Associates, Ltd

La Crosse, WI
May 14, 2009

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2008**

A. Summary of Audit Results

1. The auditor's report expresses an **unqualified opinion** on the combined financial statements of Veterans Assistance Foundation, Inc. (VAF) and California Veterans Assistance Foundation, Inc. (CVAF).
2. **No significant deficiencies** relating to the audit of the financial statements are reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with Government Auditing Standards.
3. **No instances of noncompliance** material to the financial statements of VAF and CVAF, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. **No significant deficiencies** relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs VAF and CVAF expresses an **unqualified opinion** on all major federal programs.
6. There are **no audit findings** that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule
7. The programs tested as **major programs** include:

	<u>CFDA#</u>	<u>Amount</u>
U.S. Dept of Veterans Affairs		
VA Homeless Provider Grant & Per Diem Program	64.024	\$1,263,707

8. Dollar threshold used to distinguish between type A and type B programs - **\$300,000.**
9. Auditee qualified as low risk? - **Yes**

B. Findings - Financial Statement Audit in accordance with Governmental Auditing Standards

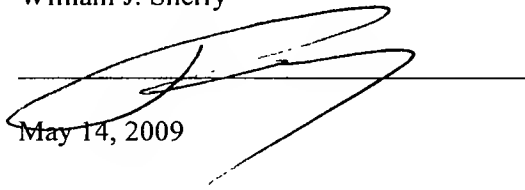
NONE

C. Findings and Questioned Costs - Major Federal Award Programs

NONE

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2008**

D. Findings and Questioned Costs – Other Issues

1. There is no substantial doubt about VAF or CVAF's ability to continue as a going concern.
2. A management letter was issued conveying audit comments issued as a result of this audit.
3. Name of partner: William J. Sherry
- Signature of partner: 
5. Date of report: May 14, 2009

E. Status of Prior Audit Findings and Questioned Costs

NONE

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

	Program Services	Management and General	Fundraising	2008
Expenses				
Automobile	\$ 22,977	\$ 2,193	\$ -	\$ 25,170
Bank service charge	-	-	824	824
Center Supplies	51,500	13,753	-	65,253
Compensation	393,363	101,216	-	494,579
Depreciation	158,885	-	-	158,885
Donations	-	-	-	-
Dues & subscriptions	4,410	1,271	-	5,681
Employee benefits	41,655	10,414	-	52,069
Food Service	136,955	1,180	-	138,135
Insurance	41,883	4,124	-	46,007
Interest	37,411	-	-	37,411
Lease payments	14,218	1,580	-	15,798
Licenses & fees	4,858	5,817	-	10,675
(Gain) Loss on disposal of assets	(3,370)	-	-	(3,370)
Maintenance	32,740	14,567	-	47,307
Member training	40,543	-	-	40,543
Office supplies	22,795	7,710	66	30,571
Other	731	1,202	-	1,933
Payroll taxes	31,471	7,868	-	39,339
Pension	6,887	1,722	-	8,609
Postage	3,865	281	-	4,146
Professional fundraising	-	-	1,641,810	1,641,810
Professional services	15,273	11,561	-	26,834
Property taxes	14,871	-	-	14,871
Rent	16,770	-	-	16,770
Security services	77,470	354	-	77,824
Staff training	2,817	668	-	3,485
Staff travel	27,276	8,382	-	35,658
Stand down expenses	4,910	-	-	4,910
Supportive expenses	10,378	-	-	10,378
Telephone	23,539	4,029	-	27,568
Utilities	178,134	5,501	-	183,635
Total Expenses	\$ 1,415,216	\$ 205,392	\$ 1,642,700	\$ 3,263,308

	Program Services	Management and General	Fundraising	2007
Expenses				
Automobile	\$ 22,360	\$ 3,613	\$ -	\$ 25,973
Bank service charge	77	727	330	1,134
Center Supplies	91,451	10,120	-	101,571
Compensation	311,156	77,789	-	388,945
Depreciation	149,450	-	-	149,450
Donations	750	-	-	750
Dues & subscriptions	1,806	688	-	2,494
Employee benefits	44,806	11,201	-	56,007
Food Service	122,037	893	-	122,930
Insurance	44,082	2,743	-	46,825
Interest	26,268	5,091	-	31,359
Lease payments	4,128	56	-	4,184
Licenses & fees	4,274	4,945	-	9,219
Loss on disposal of assets	2,412	-	-	2,412
Maintenance	27,134	7,415	-	34,549
Member training	38,800	-	-	38,800
Office supplies	35,418	3,693	131	39,242
Other	5,574	9,099	-	14,673
Payroll taxes	25,581	6,395	-	31,976
Pension	5,802	1,451	-	7,253
Postage	3,815	350	-	4,165
Professional fundraising	-	-	1,339,830	1,339,830
Professional services	29,309	11,623	-	40,932
Property taxes	10,753	1,096	-	11,849
Rent	15,990	-	-	15,990
Security services	75,181	177	-	75,358
Staff training	3,268	-	-	3,268
Staff travel	26,951	6,807	-	33,758
Stand down expenses	4,829	-	-	4,829
Supportive expenses	8,228	-	-	8,228
Telephone	22,502	2,689	-	25,191
Utilities	146,158	4,424	-	150,582
Total Expenses	\$ 1,310,350	\$ 173,085	\$ 1,340,291	\$ 2,823,726

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
COMBINING STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2008 AND 2007**

ASSETS	VAF	CVAF	Eliminations	2008 Total
Current Assets				
Cash and cash equivalents	\$ 499,181	\$ 48,535	\$ -	\$ 547,716
Accounts receivable	10,833	-	-	10,833
Grants receivable	142,626	129,492	-	272,118
Prepaid expenses	3,572	13,415	-	16,987
Other current assets	-	-	-	-
Total Current Assets	<u>656,212</u>	<u>191,442</u>	<u>-</u>	<u>847,654</u>
Fixed Assets				
Land	236,000	68,635	-	304,635
Buildings	1,015,815	165,865	-	1,181,680
Building improvements	489,574	457,525	-	947,099
Vehicles	218,136	82,437	-	300,573
Equipment	65,338	24,645	-	89,983
Less:			-	
Accumulated depreciation	<u>(541,240)</u>	<u>(175,737)</u>	<u>-</u>	<u>(716,977)</u>
Net Fixed Assets	<u>1,483,623</u>	<u>623,370</u>	<u>-</u>	<u>2,106,993</u>
TOTAL ASSETS	<u><u>\$ 2,139,835</u></u>	<u><u>\$ 814,812</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,954,647</u></u>
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable	\$ 52,020	\$ 11,817	\$ -	\$ 63,837
Accrued expenses	11,754	5,057	-	16,811
Notes payable	-	5,318	-	5,318
Current maturities of long-term obligations	<u>8,052</u>	<u>2,892</u>	<u>-</u>	<u>10,944</u>
Total Current Liabilities	<u>71,826</u>	<u>25,084</u>	<u>-</u>	<u>96,910</u>
Non-Current Liabilities				
Notes payable less current maturities	<u>290,398</u>	<u>165,439</u>	<u>-</u>	<u>455,837</u>
Total Liabilities	362,224	190,523	-	552,747
Net Assets				
Unrestricted	<u>1,777,611</u>	<u>624,289</u>	<u>-</u>	<u>2,401,900</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,139,835</u></u>	<u><u>\$ 814,812</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,954,647</u></u>

The accompanying notes are an integral part of these financial statements

ASSETS	VAF	CVAF	Eliminations	2007 Total
Current Assets				
Cash and cash equivalents	\$ 321,593	\$ 91,512	\$ -	\$ 413,105
Accounts receivable	-	-	-	-
Grants receivable	120,281	72,953	-	193,234
Prepaid expenses	7,663	15,415	-	23,078
Other current assets	120	-	-	120
Total Current Assets	<u>449,657</u>	<u>179,880</u>	<u>-</u>	<u>629,537</u>
Fixed Assets				
Land	236,000	68,635	-	304,635
Buildings	1,015,815	165,865	-	1,181,680
Building improvements	453,364	453,575	-	906,939
Vehicles	222,241	52,665	-	274,906
Equipment	63,700	20,759	-	84,459
Less:			-	
Accumulated depreciation	<u>(466,012)</u>	<u>(122,971)</u>	<u>-</u>	<u>(588,983)</u>
Net Fixed Assets	<u>1,525,108</u>	<u>638,528</u>	<u>-</u>	<u>2,163,636</u>
TOTAL ASSETS	<u>\$ 1,974,765</u>	<u>\$ 818,408</u>	<u>\$ -</u>	<u>\$ 2,793,173</u>
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable	\$ 40,172	\$ 8,360	\$ -	\$ 48,532
Accrued expenses	20,006	7,232	-	27,238
Notes payable	-	4,390	-	4,390
Current maturities of long-term obligations	<u>7,435</u>	<u>2,615</u>	<u>-</u>	<u>10,050</u>
Total Current Liabilities	<u>67,613</u>	<u>22,597</u>	<u>-</u>	<u>90,210</u>
Non-Current Liabilities				
Notes payable less current maturities	<u>298,484</u>	<u>168,339</u>	<u>-</u>	<u>466,823</u>
Total Liabilities	366,097	190,936	-	557,033
Net Assets				
Unrestricted	<u>1,608,668</u>	<u>627,472</u>	<u>-</u>	<u>2,236,140</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,974,765</u>	<u>\$ 818,408</u>	<u>\$ -</u>	<u>\$ 2,793,173</u>

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
COMBINING STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2008**

	VAF	CVAF	Eliminations	2008
Support and Revenue				
Veterans affairs grants	\$ 769,479	\$ 494,228	\$ -	\$ 1,263,707
Department of Labor grant	117,016	-	-	117,016
Federal housing grant	-	-	-	-
Federal equipment grant	-	-	-	-
Management fees	49,936	36,667	(86,603)	-
Donations	7,913	6,985	-	14,898
Program fees	125,081	70,686	-	195,767
Fundraising	1,549,819	279,773	-	1,829,592
Rent	69,300	-	(69,300)	-
Interest income	5,913	159	-	6,072
Other	1,216	800	-	2,016
Total Support and Revenue	<u>2,695,673</u>	<u>889,298</u>	<u>(155,903)</u>	<u>3,429,068</u>
Expenses				
Automobile	11,354	13,816	-	25,170
Bank service charge	754	70	-	824
Center Supplies	40,626	24,627	-	65,253
Compensation	331,709	162,870	-	494,579
Depreciation	106,118	52,767	-	158,885
Donations	-	-	-	-
Dues & subscriptions	3,696	1,985	-	5,681
Employee benefits	45,240	6,829	-	52,069
Food Service	100,580	37,555	-	138,135
Fundraising	1,404,317	237,493	-	1,641,810
Insurance	14,926	31,081	-	46,007
Interest	8,643	28,768	-	37,411
Lease payments	15,798	69,300	(69,300)	15,798
Licenses & fees	7,277	3,398	-	10,675
Loss (gain) on disposal of assets	(3,370)	-	-	(3,370)
Maintenance	20,024	27,283	-	47,307
Management fee	15,000	71,603	(86,603)	-
Member training	40,543	-	-	40,543
Office supplies	22,934	7,637	-	30,571
Other	1,417	516	-	1,933
Payroll taxes	27,860	11,479	-	39,339
Pension	6,008	2,601	-	8,609
Postage	2,258	1,888	-	4,146
Professional services	16,243	10,591	-	26,834
Property taxes	3,984	10,887	-	14,871
Rent	16,770	-	-	16,770
Security services	75,445	2,379	-	77,824
Staff training	2,421	1,064	-	3,485
Staff travel	20,863	14,795	-	35,658
Stand down expenses	4,910	-	-	4,910
Supportive expenses	10,378	-	-	10,378
Telephone	12,718	14,850	-	27,568
Utilities	139,286	44,349	-	183,635
Total expenses	<u>2,526,730</u>	<u>892,481</u>	<u>(155,903)</u>	<u>3,263,308</u>
Change in net assets	168,943	(3,183)	-	165,760
Net Assets, beginning of year	<u>1,608,668</u>	<u>627,472</u>	<u>-</u>	<u>2,236,140</u>
Net Assets, end of year	<u>\$ 1,777,611</u>	<u>\$ 624,289</u>	<u>\$ -</u>	<u>\$ 2,401,900</u>

The accompanying notes are an integral part of these financial statements

	VAF	CVAF	Eliminations	2007
Support and Revenue				
Veterans affairs grants	\$ 617,698	\$ 433,750	\$ -	\$ 1,051,448
Department of Labor grant	92,440	-	-	92,440
Federal housing grant	199,321	-	-	199,321
Federal equipment grant	16,250	-	-	16,250
Management fees	42,112	38,000	(80,112)	-
Donations	14,042	3,110	-	17,152
Program fees	99,242	77,188	-	176,430
Fundraising	1,360,990	159,805	-	1,520,795
Rent	11,000	-	(11,000)	-
Interest income	7,208	199	-	7,407
Other	4,272	7,623	-	11,895
Total Support and Revenue	<u>2,464,575</u>	<u>719,675</u>	<u>(91,112)</u>	<u>3,093,138</u>
Expenses				
Automobile	17,706	8,267	-	25,973
Bank service charge	924	210	-	1,134
Center Supplies	49,057	52,514	-	101,571
Compensation	297,261	91,684	-	388,945
Depreciation	98,241	51,209	-	149,450
Donations	750	-	-	750
Dues & subscriptions	1,382	1,112	-	2,494
Employee benefits	42,426	13,581	-	56,007
Food Service	87,435	35,495	-	122,930
Fundraising	1,198,431	141,398	-	1,339,829
Insurance	19,151	27,674	-	46,825
Interest	8,441	22,918	-	31,359
Lease payments	2,953	12,231	(11,000)	4,184
Licenses & fees	6,120	3,099	-	9,219
Loss on disposal of assets	-	2,412	-	2,412
Maintenance	15,985	18,564	-	34,549
Management fee	15,993	64,119	(80,112)	-
Member training	38,800	-	-	38,800
Office supplies	17,991	21,252	-	39,243
Other	8,488	6,185	-	14,673
Payroll taxes	23,453	8,523	-	31,976
Pension	5,814	1,439	-	7,253
Postage	1,864	2,301	-	4,165
Professional services	25,592	15,340	-	40,932
Property taxes	6,267	5,582	-	11,849
Rent	15,990	-	-	15,990
Security services	72,939	2,419	-	75,358
Staff training	2,878	390	-	3,268
Staff travel	19,992	13,766	-	33,758
Stand down expenses	4,829	-	-	4,829
Supportive expenses	8,228	-	-	8,228
Telephone	9,670	15,521	-	25,191
Utilities	113,518	37,064	-	150,582
Total expenses	<u>2,238,569</u>	<u>676,269</u>	<u>(91,112)</u>	<u>2,823,726</u>
Change in net assets	226,006	43,406	-	269,412
Net Assets, beginning of year	<u>1,382,662</u>	<u>584,066</u>	<u>-</u>	<u>1,966,728</u>
Net Assets, end of year	<u>\$ 1,608,668</u>	<u>\$ 627,472</u>	<u>\$ -</u>	<u>\$ 2,236,140</u>

**VETERANS ASSISTANCE FOUNDATION, INC. AND
CALIFORNIA VETERANS ASSISTANCE FOUNDATION, INC.
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

	VAF	CVAF	Eliminations	2008 Totals
Cash Flows From Operating Activities				
<i>Increase (decrease) in net assets</i>	\$ 168,943	\$ (3,183)	\$ -	\$ 165,760
Adjustments to reconcile change in net cash provided (used) by operating activities:				
Depreciation*	106,118	52,767	-	158,885
Changes in assets and liabilities:				
(Gain) loss on disposal of assets	(3,370)	-	-	(3,370)
(Increase) decrease in accounts receivable	(10,833)	-	-	(10,833)
(Increase) decrease in grants receivable	(22,345)	(56,540)	-	(78,885)
(Increase) decrease in prepaid expenses	4,091	2,000	-	6,091
(Increase) decrease in other current assets	120	-	-	120
Increase (decrease) in accounts payable	11,848	3,457	-	15,305
Increase (decrease) in accrued expenses	(8,252)	(2,175)	-	(10,427)
Net Cash Provided (Used) by Operating Activities	<u>246,320</u>	<u>(3,674)</u>	<u>-</u>	<u>242,646</u>
Cash Flows From Investing Activities				
Purchase of property and equipment	(69,726)	(37,608)	-	(107,334)
Proceeds from sale of equipment	8,463	-	-	8,463
Net Cash Provided (Used) by Investing Activities	<u>(61,263)</u>	<u>(37,608)</u>	<u>-</u>	<u>(98,871)</u>
Cash Flows From Financing Activities				
Proceeds from short-term debt	-	11,597	-	11,597
Payments on short-term debt	-	(10,669)	-	(10,669)
Proceeds from long-term debt	-	-	-	-
Payments on long-term debt	(7,469)	(2,623)	-	(10,092)
Net Cash Provided (Used) by Financing Activities	<u>(7,469)</u>	<u>(1,695)</u>	<u>-</u>	<u>(9,164)</u>
NET INCREASE (DECREASE) IN CASH	177,588	(42,977)	-	134,611
CASH AT BEGINNING OF YEAR	<u>321,593</u>	<u>91,512</u>	<u>-</u>	<u>413,105</u>
CASH AT END OF YEAR	<u><u>\$ 499,181</u></u>	<u><u>\$ 48,535</u></u>	<u><u>-</u></u>	<u><u>\$ 547,716</u></u>

Noncash disclosures.

* Indicates non cash transaction

The accompanying notes are an integral part of these financial statements

	VAF	CVAF	Eliminations	2007 Totals
Cash Flows From Operating Activities				
<i>Increase (decrease) in net assets</i>	\$ 226,006	\$ 43,406	\$ -	\$ 269,412
Adjustments to reconcile change in net cash provided (used) by operating activities:				
Depreciation*	98,241	51,209	-	149,450
Changes in assets and liabilities:				
(Gain) loss on disposal of assets	-	2,412	-	2,412
(Increase) decrease in accounts receivable	-	-	-	-
(Increase) decrease in grants receivable	(6,506)	6,926	-	420
(Increase) decrease in prepaid expenses	185	(5,891)	-	(5,706)
(Increase) decrease in other current assets	(120)	-	-	(120)
Increase (decrease) in accounts payable	6,678	3,920	-	10,598
Increase (decrease) in accrued expenses	706	3,169	-	3,875
Net Cash Provided (Used) by Operating Activities	<u>325,190</u>	<u>105,151</u>	<u>-</u>	<u>430,341</u>
Cash Flows From Investing Activities				
Purchase of property and equipment	(584,625)	(75,693)	-	(660,318)
Proceeds from sale of equipment	-	-	-	-
Net Cash Provided (Used) by Investing Activities	<u>(584,625)</u>	<u>(75,693)</u>	<u>-</u>	<u>(660,318)</u>
Cash Flows From Financing Activities				
Proceeds from short-term debt	-	10,432	-	10,432
Payments on short-term debt	-	(6,042)	-	(6,042)
Proceeds from long-term debt	232,750	-	-	232,750
Payments on long-term debt	(6,071)	(13,264)	-	(19,335)
Net Cash Provided (Used) by Financing Activities	<u>226,679</u>	<u>(8,874)</u>	<u>-</u>	<u>217,805</u>
NET INCREASE (DECREASE) IN CASH	(32,756)	20,584	-	(12,172)
CASH AT BEGINNING OF YEAR	<u>354,349</u>	<u>70,928</u>	<u>-</u>	<u>425,277</u>
CASH AT END OF YEAR	<u><u>\$ 321,593</u></u>	<u><u>\$ 91,512</u></u>	<u><u>-</u></u>	<u><u>\$ 413,105</u></u>